

LARGE EXPENDITURES FORECAST IN DARBY BUDGET

Chinese Reds Rush Reinforcements To 38th Parallel

Opposition Leader Bell Charges Extravagance

Wasteful expenditure of the taxpayers' money was charged in the Legislature last night by Mr. R. R. Bell, K. C., leader of the Opposition, in reviewing the financial activities of the Jones Government.

Mr. Bell followed Hon. W. E. Darby, Attorney General and Provincial Treasurer, in the Budget debate, and spoke only briefly before the House adjourned. It meets this morning at 11 o'clock.

Mr. Bell complained that building contracts on a plus basis were creating too great an expense and also that the Attorney General had skipped over items on which the Government had lost money, such as the operations of the Eskimo.

These operations cost the Province from \$100,000 to \$200,000, Mr. Bell claimed. It was "a pipe dream of the Premier's and it has put us in bad standing with Newfoundland."

He questioned the Government about what they had to show on road improvements. "It is a long, long time since the road from Sunnyside to Kensington was in the condition that it is in today," he stated, "and it was made worse by dumping clay and mud on it."

He was hopeful that the financial affairs would be in a much better condition than they are. "I find that we have had a most disastrous year. The members of the Government speak of buoyant revenues. If that be the case they should be able to show that they are doing business in a business-like way and show surpluses rather than deficits."

"In the past seven or eight years this Province has had seven and will have eight deficits, Mr. Bell said. "Since 1936 we have accumulated a deficit of nearly \$12,000,000."

He noted that \$228,000 had been budgeted for the expenditure on agriculture during the coming year. The members of the Government thumped their desks when they heard this read, when their faces should have been red, he stated.

Last year the members of the Opposition did all in their power to get the highest possible expenditure passed on agriculture, he continued; and they voted \$209,000. But the Department of Agriculture is the only department that did not spend its appropriation. It actually spent \$22,000 less than the amount budgeted for.

He noted that this condition had occurred several times before and regretted that it should happen, as agriculture is the main industry of the Province and brings in a large revenue.

Mr. Bell prefaced his remarks by noting the decreasing attendance of people in the House each year when the Budget is brought down. One of the reasons, he said, was that people were becoming "fed up" with hearing about another huge deficit.

He moved the adjournment of the debate at 10 o'clock.

Report Murder Plot Blocked In Tehran

TEHRAN, March 26—(AP)—Police announced tonight they had thwarted a plot by the fanatical Moslem group Fedayan Islam to assassinate the military governor of Tehran.

This came on the heels of a decision imposing martial law on portions of Iran's rich British-operated southern oilfields. Mounting strikes by oil workers brought on the decree.

Two high Iranian officials already have fallen victim to assassins this month in this strategic country on Russia's southern border. Tehran is under martial law imposed in the wake of wide unrest and political tension.

A high police official said nine members of Fedayan Islam are under arrest for a plot to assassinate Gen. Abdul Hossain Hejazi, the capital's military governor. This is the same sect that claimed responsibility for the slaying of Premier Ali Razmara March 7.

The plot was discovered last Thursday night, the official said, when Hejazi's adjutant rounded up two men armed with revolvers outside the military governor's home.

The official said police found a list of 40 other Iranians, including high court functionaries and ministers in the late Razmara's cabinet in the gang's hideout. Armed guards were placed around the homes of those on the assassination list.

Fedayan Islam is a fanatically-nationalistic group which has been agitating for nationalization of Iran's rich oil production, including the holdings of the British-controlled Anglo-Iranian Oil Company. Razmara was strongly opposed to the move.

The government today decreed martial law at seven places outside Tehran—all the rich southern Anglo-Iranian oil fields.

Apprentices and students employed by the Anglo-Iranian Oil Company at Abadan Suncay, joined a strike for higher wages started Saturday by older workers at company installations in Bandar Ma'Shaur, Persian Gulf port, and at the Axtajari oilfield at Abadan.

Summary Of Estimates

The following summary of the Provincial estimates on ordinary account for the fiscal year ending March 31, 1952, was given in the budget speech by Hon. W. E. Darby, Provincial Treasurer, in the Legislature last night:

On Ordinary Account the Estimated Revenues for next year are	\$ 6,969,318.00
From the Federal Government the anticipated receipts will be	4,276,558.00
And from Provincial sources	2,693,760.00
(A) Subsidy	\$ 656,932.00
• LESS Hillsboro Bridge Account	9,750.00
	647,182.00
(B) In lieu of certain tax fields	\$ 1,443,068.00
(C) Gross National Product additional	942,282.00
For a total under the Tax Rental Agreement of	\$ 3,032,532.00
(D) Old Age & Blind Pensions	993,753.00
(E) Health Grants	183,776.00
(F) Other Assistance	65,500.00
Total	\$ 4,275,558.00

Under the Tax Rental Agreement it is predicted that the amount due to the escalator clause, based on the Gross National Product will be at least \$942,282. or \$185,463. more than received during current fiscal year.

From provincial taxation it is estimated \$2,693,760.00 will be collected from the following sources —

Gasoline	\$ 1,100,000.00
Amusements	95,000.00
Succession Duty Arrears	1,000.00
Health Tax:	
Liquor	185,000.00
Tobacco	110,000.00
Licenses, Permits, and Fees	\$ 472,460.00
(This includes Motor Vehicle Licenses at \$325,000.00)	
Temperance Act	625,000.00
Fines and Penalties	20,000.00
Rentals, and Sundry Commodities	11,900.00
Other Revenues and Refunds	73,400.00
Total	\$ 2,693,760.00

SUPPLY

The Supply proposed to be granted to His Majesty involves expenditures on ordinary account of \$6,906,902.00. This represents an increase over the current year by an amount of \$113,676.00.

The proposed expenditures are as follows:

On debt charges including sinking fund	\$ 1,110,075.00
Health and Welfare	2,578,543.00
Education	1,049,575.00
Administration of Justice	148,845.00
Legislation	77,725.00
Agriculture	228,195.00
Industry and Natural Resources	28,810.00
Public Works and Highways	935,125.00
Refunds of Revenue	247,000.00
Other Current Expenditures	83,011.00
General Government	319,998.00
Total	\$ 6,906,902.00

The proposed disbursements provide for an anticipated surplus on ordinary account of \$62,416.00.

Allies Taking Over Last Bit Of South Korea

By Robert Eunsou
TOKYO, March 27—(TUESDAY)—(AP)—Chinese Communists moved up reinforcements today just north of the 38th parallel in efforts to ward off any United Nations attack in North Korea. Allied troops were fast enveloping the last bit of South Korea.

The Reds jammed supply roads behind their front with the heaviest traffic in two weeks. Light bombers attacked the road convoys and a train. But they offered only delaying action in South Korea against Allied divisions advancing across the last thin slice of land between them and the 38th parallel.

In Western Korea, where the Allied front still was 10 miles short of the parallel, three Allied divisions were closing the gap. Their columns had linked up Monday 18 miles north of Seoul, causing the Chinese 26th Army (Corps) to fall back.

The link-up eliminated the last big enemy pocket in South Korea. Today the Reds tried only one small counter-attack. It was repulsed.

Elsewhere, in Central and Eastern Korea, the U.N. front already was virtually flush with the 38th parallel.

U.S. Eighth Army headquarters said 1,360 Reds were killed or wounded and 407 captured across Korea in ground action Monday. Allied fliers claimed they inflicted 480 more casualties, all on the central front.

Allied tank-infantry columns waded through hub-deep mud to make Monday's link-up in Western Korea-east of Munsan.

South Korean troops advanced north of Munsan to the banks of the Imjin River without making contact with the foe.

Three Miles Above Line
(Reuters News Agency said) South Korean troops dashed across the parallel to capture the town of Younpo on the east coast — three miles above the line, according to a South Korean Army announcement.

(Reuters said it was the first time South Korean units crossed the parallel in strength since the new U.N. offensive began and that they apparently were intent

Further Debt Increase With Surplus Predicted Under Ordinary Account

A gross deficit of \$1,865,080 and a current account surplus of \$62,416 for the coming fiscal year ending March 31, 1952, were budgeted for in the Legislature last night by Hon. W. E. Darby, Provincial Treasurer, who pointed out that the total estimated expenditures of \$9,324,898 included sinking fund provisions of \$523,125, leaving an estimated increase in liabilities of \$1,341,955.

For the present year ending March 31, Mr. Darby estimated the net debt would be \$15,638,555, and for the year ending March 31, 1952, \$16,980,510.

This year ordinary revenues reached a new high of \$6,933,460, \$4,044,763 of which was received from Ottawa. Total ordinary expenditure for the year is estimated at \$6,793,226, leaving a forecast surplus of \$140,234 after providing for sinking fund.

Making his second annual Budget delivery, Mr. Darby concluded his speech with the assurance that in budgeting for a surplus during the coming year there would be no new taxes imposed and no increase in present taxation rates.

While there was reasonable assurance for a continuity of income sufficient to meet present day requirements, Mr. Darby warned that "we must exercise the greatest caution in future, not only on capital but also on current expenditures."

"We are now experiencing a period of buoyant revenues," he said, "but we must not overlook the fact that we may have to face troubled times again and that our receipts may be considerably constricted."

1949-50 Fiscal Year

Noting that the accounts for the fiscal year ended March 31, 1950 had been tabled for some weeks, Mr. Darby directed attention to the following major items: current revenues \$6,453,444.87; current expenditures \$6,199,892.24; leaving a surplus on ordinary account of \$253,552.63.

During the same period \$2,113,927.90 was spent on capital account. Total expenditure ordinary and capital for last year amounted to \$8,377,010.64. Total revenue for the same period was \$6,597,480.76 for a net increase in the public



Hon. W. E. Darby

Judge Says Gamblers Pay Up To 25 Million Yearly For Protection In N.Y.

By ED CREACH
WASHINGTON, March 26—(AP)—A judge testified today that gamblers pay up to \$25,000,000 a year in protection money to crooked members of the New York City Police force.

Samuel Leibowitz, one of the United States' leading criminal lawyers until he ascended the Kings County (Brooklyn) bench, made the estimate in testimony before the Senate crime investigating committee.

In the widespread uproar touched off by the committee's disclosures in televised hearings watched by millions, there were these other developments:

1. William O'Dwyer, Ambassador to Mexico and former mayor of New York, was called before a Brooklyn grand jury for questioning on an undisclosed nature. The jury has been occupied with probing gambling and police graft. It was ready to inquire into the mysterious death in 1941 of a hoodlum named Abe Reles, informer on the notorious Murder, Inc., killer gang. This took place while O'Dwyer was

Saint John Woman Dies From Beating

SAINT JOHN, N. B., March 26—(CP)—Beaten by a prowler in her bedroom March 17, Miss Margaret MacDonald, 78, died in hospital today. Her condition was complicated by a heart attack. An inquest is expected to be held this week.

Charles Felix Francis, 31, an Indian from the Tobique Reservation near Perth, N. B., has been remanded on a charge of "being found in a dwelling house by night with intent to steal." He was arrested shortly after the attack on the aged woman.

TO APPEAL SENTENCE

QUEBEC, March 26—(CP)—An appeal will be entered against the death sentence imposed upon Mrs. Arthur Pitre, it was announced today by Irene Simard, her lawyer.

Mrs. Pitre was found guilty a fortnight ago of murder in connection with the explosion and crash of an airliner at nearby Sault au Cochon in September, 1949. She was sentenced to be hanged July 20.

Discusses Federal Offer Under New Tax Agreement

Prince Edward Island has been guaranteed a minimum of \$2,911,000 per year with additional payments geared to Gross National Product over the base year 1948, under the terms outlined by the Federal Government with regard to the renewal of the tax rental agreements with this Province, it was stated in the Legislature last night by Hon. W. E. Darby, Provincial Treasurer, in delivering the budget address. The proposal is to renew the agreement for a further five years from April 1, 1952.

"Under the new proposals," Mr. Darby said, "Prince Edward Island will receive in the fiscal year 1952-53, \$3,280,000 based on assumed G.N.P. of \$17.5 billions in 1950 and \$18 billions in 1951. Indications are that the G.N.P. for 1951 will greatly exceed this estimate and, if so, the Provincial return will be considerably augmented.

"While the amount this Province will receive may substantially vary, nevertheless the guaranteed minimum will not be appreciably less than that provided for in the budget, and in the first year of the new agreement will be approximately \$300,000 more.

"While we are not satisfied with these terms and are pressing for substantial adjustments, we at least have the assurance that we will not receive less than the amounts offered.

December Conference

Mr. Darby referred to the conference of Federal and Provincial Governments held last December to discuss fiscal relationships in view of the impending termination of the present tax agreements.

"It had been anticipated," he said, "that a much needed re-examination of the financial resources and burdens of each of the Provinces would have been proceeded with and, as we contended, the

Says New Zealand Butter Available

VANCOUVER, March 26—(CP)—Canadian housewives can have all the New Zealand butter they want at 54 to 56 cents a pound—but the Canadian Government won't buy, Hon. T. C. A. Hlop, New Zealand high commissioner to Canada, said on his arrival here today.

"We just sold you 4,000,000 pounds of butter but your people made a lot of fuss about it," he said.

By "your people" he said he meant certain Federal Government officials who claimed the purchase of New Zealand butter "would undermine Canadian economy" and was contrary to Canada-New Zealand trade agreements.

He said New Zealand can sell Canada much more butter to bridge the gap between this year's and next year's supply.

News In Brief

LAKE SUCCESS, N. Y., March 26—(CP)—Owen Lattimore, United States expert on Asia, said tonight the Chinese Nationalist Government is "a thing of the past." He said there is no prospect of reinstating it as the government of all China.

LAKE SUCCESS, N. Y., March 26—(CP)—A diplomatic source said today that Britain wants to delay a new United Nations' declaration of policy toward Korea to allow Communist China to negotiate for a settlement.

LOS ANGELES, March 26—(AP)—John D. Spreckels III, the sugar heir, agreed today to pay his fourth wife \$100 a month pending trial of her divorce suit. It brought his payments to his ex-wives to \$531.62 a month out of his estimated \$1,000 income.

WASHINGTON, March 26—(Reuters)—State Department officials said today that Gen. MacArthur's unauthorized "peace" offer to the Chinese high command was "at the top of the agenda" for tomorrow's conference to be attended by representatives of countries with troops in Korea.

HALIFAX, March 26—(CP)—Official forecasts issued by the Dominion Public Weather Office here and valid until midnight Tuesday.

Synopsis: It was clear in New Brunswick tonight, but variable patches of cloud were drifting over Nova Scotia and Prince Edward Island. A few snowflurries were falling from these clouds, but they were expected to end within the next few hours.

Tuesday will be sunny, with afternoon temperatures in the high 30s in most of the district.

Regional forecasts:

Prince Edward Island—Sunny with little change in temperature. Northwest winds 15. Low and high Tuesday at Charlottetown 22 and 36.

High tide today at 1:33 A. M. and 1:07 P. M.

Sun rises at 6:04 A. M. and sets at 6:33 P. M.

Summerside tide eighteen minutes later than Charlottetown.

BORDEN — CAPE TORMENTINE FERRY SERVICE

Leave Borden 8:10 A.M.	Leave C. T. 2:40 P.M.
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SUNDAY SERVICE

Leave Borden 6:45 P.M.	Leave C. T. 8:00 P.M.
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MCA AIR SERVICE

Lv. Charlottetown for Moncton 5:50 A.M.—11:20 A.M.—4:45 P.M.

Ar. Charlottetown from Moncton 7:40 A.M.—1:25 P.M.—6:55 P.M.

Lv. Charlottetown for New Glasgow — Halifax 7:53 A.M. New Glasgow only; 1:40 P.M. New Glasgow & Halifax.

Ar. Charlottetown from New Glasgow and Halifax, 4:20 P.M. from New Glasgow and Halifax.

Charlottetown — Sydney flights every Monday, Wednesday, Friday.



British Inventor Opens Case Against Ford Motor Co.

NEW YORK, March 26—(AP)—A British inventor charged today he worked 20 years on a farm tractor system, only to have the Ford Motor Company steal it and make a \$40,000,000 profit on it.

The accusation opened a \$341,600,000 suit by 65-year-old Harry Ferguson against Ford and some of its top officials—the largest civil suit ever brought in the United States.

Ferguson charged that Ford conspired to steal his ideas, destroy his own setup for producing tractors and to undermine his financing operations. Charges were made under the anti-trust and patent laws. Ford entered a general denial to the charges.

Use Human Pyramid To Rescue Child

DARBY, Pa., March 26—(AP)—Three policemen formed a human pyramid today to rescue seven-year-old Harold Conrad from his burning home. The plight of the boy was discovered after five brothers and sisters fled from the house. Three patrolmen spotted the boy at a second-floor window and one climbed on another's shoulders to reach him.

New Treatment Aids 20 Cancer Patients In Test

CHICAGO, March 26—(AP)—Twenty advanced cancer patients were reported today to have shown marked improvement after treatment with a substance called kreblozen. Two no longer appear to have cancer.

A guarded discussion of the tests was given today by Dr. A. C. Ivy, cancer authority and a vice-president of the University of Illinois.

Twenty-two patients were selected for treatment with kreblozen. One patient had leukemia and did not respond to the treatment. Another patient failed to report for further treatment after her first injection.

Eight died, but life apparently was prolonged in some cases. All patients given kreblozen were either terminal (hopeless) cases or had cancer which could not be successfully treated by surgery or X-ray, Dr. Ivy said.

Kreblozen was produced by Dr. Stevan Durovic, 46, a native of Yugoslavia, who extracted it from the blood of horses after he had stimulated them in a manner which has not been disclosed.

Dr. Ivy said that kreblozen now is limited to research use only.

Launch Reorganization Of Polio Foundation

OTTAWA, March 26—(CP)—Dr. W. T. Mustard of Toronto has been elected president of the Canadian Foundation for Poliomyelitis, it was announced here today.

The election followed a two-day meeting in Toronto at which "a complete plan of reorganization" for the foundation was laid down and the resignation of Horace Brown, executive secretary, to accept other employment, was accepted. The announcement was made here by T. J. Allard, secretary of the foundation.

Dr. Mustard replaces Charles Clay, who resigned because of ill health. Mr. Brown said in Toronto that the reorganization was decided upon to cut down expenses. The new organization would be patterned on the Canadian Hospital Association.

The polio body was created two years ago by Mr. Brown, a former radio script writer and himself a victim of polio.

Taking part in the Toronto meet-

Urges Latin - American States Join In Defence

WASHINGTON, March 26—(AP)—President Truman told the 20 Latin American Republics today the time has come for all to join in a Western Hemisphere defence buildup against "aggressive expansion of Soviet power" which he said threatens the whole world.

He opened an emergency meeting of the western world foreign ministers with a keynote summation also to consider ways of strengthening the United Nations.

As partners in a "common enterprise," Truman said the American nations must increase production of strategic materials and take other economic measures to support the "men in Europe and Asia who are battling for freedom."

Laying down the theme for the meeting which the U.S. summoned, Truman pledged by implication that the hemisphere governments can look for continued help from Washington to combat Communism.

Smallest Mother Loses Child

LOUISIANA, Mo., March 26—A baby born Saturday to the "smallest woman in the world" died today from respiratory trouble. Mrs. Lavonda Evans, 31, who is just 23 inches tall, gave birth to the 32-pound, 12-ounce boy by Caesarian section. The father, Alva Evans, 30, is four feet tall.

Coming Events

- *Mail your Films to Garnum Photo Studio, Charlottetown.
- *Poultrymen, unloading car shavings today. G. R. Henry, Purina Feeds, Grafton Street, East.
- *Victoria Rink School Hockey tonight. First game in the best of three series. Victoria vs. North Tryon.
- *Excellent entertainment by Kennington Junior Choir at their variety concert Hunter River Hall, Wednesday 8 p.m.
- *Attention Drama Groups! Entries for Festival, close April 20th, (instead of April 30th). Send to Mrs. Ray MacLeod, Graham's Road.
- *Loading Hogs at Bell River of Canada Packers Ltd., Tuesday, March 27th. Signed Ben Bears, Bear River.
- *Don't miss "The Great Jewel Robbery" plus Serial at MacDonald Bros. Theatre, tonight. Show time 8 P. M.
- *See the three act comedy drama by Wellington Players, in Thanksgiving Hall, Tuesday, March 27th. Specialities.
- *Paying \$30.00 pair for good furs over thirty-three pounds and \$28.00 for over twenty-eight pounds. Willard Frowse, Brackley.

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